

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

DAKOTA IMAGING, INC.

Plaintiff,

V.

SANDEEP GOEL and PRADEEP GOEL,

**Defendants/Counterclaim
Plaintiffs,**

V.

**DAKOTA IMAGING, INC.
ENVOY CORPORATION and
WEBMD CORPORATION**

Counterclaim Defendants.

**PLAINTIFF'S AND COUNTERCLAIM DEFENDANTS' REPLY
MEMORANDUM IN SUPPORT OF THEIR MOTION TO REMAND**

Plaintiff and Counterclaim Defendant Dakota Imaging, Inc. (“Dakota”) and Counterclaim Defendants Envoy Corporation (“Envoy”) and WebMD Corporation (“WebMD”) submit this Reply in connection with their motion to remand the above-entitled action to the Court of Chancery of the State of Delaware in and for New Castle County (“Chancery Court”) based upon the citizenship of Pradeep Goel (“Pradeep”). Dakota, Envoy and WebMD respectfully request that the Court defer ruling on the Motion to Remand. If their respective motions to dismiss are not allowed, Dakota, Envoy and WebMD will conduct discovery in the ordinary course regarding the citizenship of Pradeep and, if appropriate, ask the Court to rule on the Motion to Remand.

at a later date.

Moreover, although Dakota brought this action for breach by the Goels of their Employment Agreements, the Goels have counterclaimed alleging breach of the Merger Agreement by Dakota, Envoy and WebMD. Because the Merger Agreement contains a binding arbitration clause, Dakota as well as Envoy and WebMD have moved to dismiss the Goels' claims for breach of the Merger Agreement on the ground, among others, that such claims are subject to binding arbitration.

If the Court denies Envoy's and WebMD's motion to dismiss the counterclaim with regard to the Merger Agreement, Envoy and WebMD intend to assert a compulsory counterclaim against the Goels, Carol Gupta and the EAC Investment Limited Partnership for, among other things, unjust enrichment in connection with the purchase of Dakota and breach of representations in the Merger Agreement.¹ Because Envoy is a citizen of Maryland and Ms. Gupta is believed to be a citizen of Maryland, her presence as a party would destroy diversity of citizenship and deprive this Court of subject matter jurisdiction.

Envoy and WebMD recognize, of course, that the prospect of adding Ms. Gupta as a party is not grounds for remand at this time. Envoy and WebMD submit, however, that the prospect of Ms. Gupta's presence in this case is another reason for the Court to defer decision on the Motion to Remand until the Court rules on Envoy's and WebMD's motion to dismiss the Goels' counterclaim.

¹ The breach of representation claim is subject to requirements of a written demand notice and a "meet and confer" session between the parties. Envoy expects to send a demand notice to the Goels, both for themselves and as representatives of the other selling Dakota shareholders.

CONCLUSION

For the above reasons, Dakota, Envoy and WebMD request that the Court defer ruling on their Motion to Remand until after the Court rules on Envoy's and WebMD's motion to dismiss



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Date: July 11, 2005

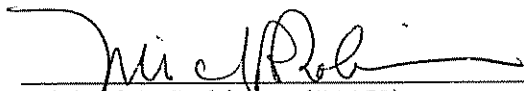
CERTIFICATE OF SERVICE

I hereby certify that on July 11, 2005, I electronically filed the foregoing document with the Clerk of Court using CM/ECF which will send notification of such filing(s) and Hand Delivered copies of the foregoing document to the following:

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I further hereby certify that on July 11, 2005, I have mailed by Federal Express, the document(s) to the following non-registered participants:

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